

**OFFICIAL FILE**  
**ILLINOIS COMMERCE COMMISSION**  
Before the  
**STATE OF ILLINOIS**  
**COMMERCE COMMISSION**

**ORIGINAL**

In the matter of )

Application of )

FAR EAST GATEWAY, INC. )

for a Certificate of Interexchange Service )

Authority to Provide Resold )

Interexchange Services Within the )

State of Illinois )

Docket No. 00-0629

CHIEF CLERK'S OFFICE

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ILLINOIS  
COMMERCE COMMISSION

**APPLICATION OF FAR EAST GATEWAY, INC. FOR A CERTIFICATE  
OF INTEREXCHANGE SERVICE AUTHORITY TO PROVIDE  
RESOLD INTEREXCHANGE SERVICES**

Far East Gateway, Inc. ("Far East Gateway" or "Applicant"), by its attorneys, hereby respectfully requests that the Illinois Commerce Commission ("Commission") grant it a Certificate of Interexchange Service Authority, pursuant to Illinois Revised Statutes Chapter 111-2/3 Section 13-403 ("Public Utilities Act"), to transact the business of an interexchange telecommunications reseller in the State of Illinois. Applicant further requests that the Commission classify the services to be offered by Far East Gateway as competitive telecommunications services and that the Commission grant Far East Gateway waivers of several of the Commission's rules. Far East Gateway also seeks approval of its initial proposed tariff.

In support of its Application, Far East Gateway submits the following information:

**I. Identification of the Applicant**

1. Applicant's full name is Far East Gateway, Inc., and it is headquartered at 11601 Wilshire Boulevard, Suite 500, Los Angeles, CA 90025. Its telephone number is (213) 447-2760. Applicant's principal corporate officers, which may be reached at the same address are:

LAI Chun Cheong – President

HUANG Yen Hsien – Vice President

HO Chi Sum – Treasurer and Secretary

2. Applicant is a limited liability company organized under the laws of the State of Delaware formed on February 22, 1999. Applicant's Federal Taxpayer ID number is 52-2181390. A copy of Applicant's Articles of Incorporation is appended hereto as *Exhibit A*. Applicant is qualified to conduct business within the State of Illinois as a foreign business entity. A copy of the qualifying document is attached as *Exhibit B*. The name and address of Far East Gateway's registered agent for service of process in Illinois is:

CT Corporation System  
208 LaSalle Street  
Chicago, IL 60604

3. Applicant is currently authorized by the Federal Communications Commission to provide interstate interexchange telecommunications service. Applicant is in the process of applying for authority to provide resold long distance services throughout the United States. Applicant has not been denied authority to provide telecommunications services in any state. Applicant never has been under investigation, fined or cited for violation of any consumer protection law or regulation in any state or federal jurisdiction.

4. Upon Certification by the Commission, Far East Gateway will register with the applicable authorities within the State, and will begin remitting taxes, including but not limited to sales, and corporate taxes, upon the provisioning of telecommunications traffic within the State.

## **II. Designated Contacts**

5. The designated contact for this application is:

Michael Engel  
Kelley Drye & Warren LLP

1200 19<sup>th</sup> Street, N.W.  
Suite 500  
Washington, D.C. 20036  
(202) 955-9600  
Fax (202) 955-9792

6. Copies of all correspondence, notices, inquiries and orders also should be sent to the following person, who is Applicant's initial contact person for all application and regulatory issues:

Teresa Fok  
Far East Gateway, Inc.  
2902 Convention Plaza Office Tower,  
1 Harbour Road, Wanchai, Hong Kong

### **III. Description of Network and Authority Requested**

7. By this Application, Applicant seeks a Certificate of Interexchange Service Authority to operate as a reseller of intrastate interexchange telecommunications services to the public throughout the State of Illinois. Far East Gateway does not plan to install its own switching facilities or other equipment in Illinois. Intrastate service will be provided through facilities obtained from other carriers.

8. By this Application, Applicant seeks the authority to provide resold intrastate interexchange telecommunications services to customers in the State of Illinois. Initially, Far East Gateway proposes to offer pre-paid calling card services. Far East Gateway may expand its long distance offerings at a later date to include other interexchange services.

### **IV. Qualifications of the Applicant**

#### **A. Managerial and Technical**

9. Applicant is well-qualified, managerially, technically and financially to provide the long distance services for which authority is requested in this Application. Far East Gateway's key executives have significant experience in the critical functions of network operations, sales

and marketing and finance. Collectively, its staff has many years of development and operating experience in various segments of the telecommunications industry. Furthermore, Applicant's management team includes individuals with substantial experience in successfully developing, growing and increasing profitability in telecommunications businesses. Brief biographies of the management team, appended hereto as ***Exhibit D***, demonstrate Applicant's managerial and technical competence.

## **B. Financial**

10. Applicant's proposed interexchange services are economically feasible and in the public interest. Far East Gateway has sufficient financial capability to provide the requested telecommunications services in Illinois and the financial capability to maintain those services. Applicant will fund its interexchange operations in Illinois with a combination of (i) internal capital, (ii) proceeds from the sale of equity interests, and (iii) capital raised from other sources. Appended hereto as ***Exhibit E*** (*filed under seal*) are Applicant's unaudited balance sheet, income statement, and statement of cash flows. Please note, Applicant submits these financial statements under separate seal and requests confidential treatment of them due to their highly proprietary and competitively sensitive nature. Please note that the information provided in ***Exhibit E*** is privileged and confidential and therefore is being provided solely for the Commission's review and is being submitted separately under seal with a Motion for a Protective Order ("Motion"). This Motion seeks the confidential treatment of all information contained in ***Exhibit E***.

## **V. Customer Service Policies**

11. Far East Gateway's services are furnished to presubscribed, authorized customers. Far East Gateway enters into written arrangements with customers prior to providing service. Far East Gateway will not provide service to a customer prior to obtaining written authorization. Verbal requests for service will not be honored by Far East Gateway. Marketing material specific for the service to the State of Illinois is not yet available.

12. A proposed tariff is attached at ***Exhibit F***. Far East Gateway offers competitive services consistent with Section 13-502(b) of the Public Utilities Act.

13. Far East Gateway customers may cancel service by providing thirty-days written notice to Far East Gateway. Far East Gateway reserves the right to refuse, discontinue or terminate service under conditions detailed more fully in the attached proposed tariff. Unless otherwise stated, the customer will be given ten-days notice of Far East Gateway's intention to terminate or discontinue service, in order to seek resolution with Far East Gateway. Applicant will resolve promptly all service, billing, and repair complaints from customers. Customers may contact Far East Gateway 24 hours a day, 7 days a week for billing and service-related issues by calling the toll-free number, (877) 690-7989.

14. Applicant will maintain accurate records of customer complaints. Such records will include the following information to extent such information can be obtained from the complaint: (1) the date of the complaint; (2) the name and address of the individual making the complaint; (3) the account number of phone number of the Complainant; (4) a description of the complaint; and (5) a description of how Far East Gateway resolved the complaint. Far East Gateway will retain its complaint records for three years from the date of the incident giving rise to the complaint.

## **VI. Billing**

15. All customer bills are presumed accurate and shall be binding on the customer unless objection is received by Far East Gateway within thirty days after such bill is rendered. In the case of a billing dispute between the customer and Far East Gateway, which cannot be settled with mutual satisfaction, the customer may take the following course of action within thirty days of the billing date:

- 1) Customer may request and Far East Gateway will provide an in-depth review of the undisputed amount. (The undisputed portion and subsequent bills must be paid on a timely basis or the services may be subject to disconnect.)
- 2) If there is still a disagreement about the disputed amount after the investigation and review by a manager of Far East Gateway, the subscriber may file an appropriate complaint with the State of Illinois Commerce Commission. The address and telephone number of the Commission are located in the proposed tariff.

## **VII. Initial Tariff**

16. Far East Gateway intends to provide resold interexchange services in Illinois pursuant to the terms and conditions outlined in its proposed tariff attached as *Exhibit F*. Applicant will file a final tariff for its services, in accordance with the Commission's procedures, before providing service in Illinois.

## **VIII. Requested Regulatory Treatment**

17. Applicant hereby agrees to abide by all applicable statutes and all applicable Orders, Rules, and regulations entered and adopted by the Commission.

## **IX. Public Interest**

18. Applicant is well qualified to operate as such a service provider in Illinois. Consumers of telecommunications services in Illinois will receive the benefits of downward

pressure on prices, increased choice, improved quality of service and customer responsiveness, innovative service offerings, and access to increasingly advanced-telecommunications technology. The market incentives for new and existing providers of telecommunications services will be improved through an increase in the diversity of suppliers and competition within the local exchange telecommunications market. Granting Applicant's Application will enhance this development of competition in the interexchange markets and provide the consumers of Illinois with all of the benefits described above.

#### **X. Requested Regulatory Treatment**

19. Far East Gateway will be a nondominant reseller of interexchange telecommunications services. As such, Far East Gateway requests that it be subject to the same regulatory treatment afforded to similarly situated nondominant interexchange resellers.

20. Far East Gateway also seeks waiver of Part 710 which requires it to keep its books pursuant to Uniform System of Accounts ("USOA") principles. As a non-dominant IXC, Far East Gateway is exempt from the USOA provision of Part 32 of the FCC's Rules. Therefore, having to conduct a jurisdictional allocation would be extremely burdensome. Furthermore, because Far East Gateway does not own any facilities or equipment in Illinois, and has no plans to invest any resources in the state at this time, a jurisdictional allocation would be of little use to the Commission. Because of the burdensome requirements that would be imposed, and the lack of any useful information to be gained for the Commission through the application of this requirement to Far East Gateway, Far East Gateway hereby requests a waiver of the USOA requirements.

21. Far East Gateway also seeks a waiver of Illinois Revised Statutes Chapter 111-2/3 Section 5-106 and 83 Ill. Admin. Code 250 which require public utilities to keep books,

accounts, records and memoranda within the State of Illinois. Since Far East Gateway's main offices are in California, maintaining its books and accounts in Illinois would be unduly burdensome. Far East Gateway has, of course, a registered agent located within the state (see paragraph 2) and will provide the Commission with access to its books and records upon request.

22. Finally, Far East Gateway seeks a waiver of 83 Ill. Admin. Code Part 735 regarding the establishment of credit, billing, deposits and termination of service. These rules were adopted primarily to protect consumers from costly and unwarranted billing practices engaged in by monopoly carriers. In today's environment, IXCs simply cannot employ such practices and continue to be competitive. Therefore, Far East Gateway requests that the Commission waive application of these rules.

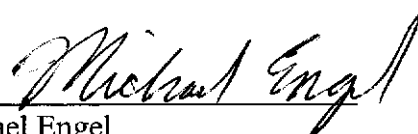


**WHEREFORE**, Far East Gateway respectfully requests that the Commission grant it a Certificate of Interexchange Service Authority, other relief requested and approve its proposed tariff as of the date of the order granting that certificate.

Respectfully submitted,

**FAR EAST GATEWAY, INC.**

By:

  
Michael Engel  
**KELLEY DRYE & WARREN LLP**  
1200 19th Street, N.W.  
Suite 500  
Washington, D.C. 20036  
(202) 955-9600

Its Attorney

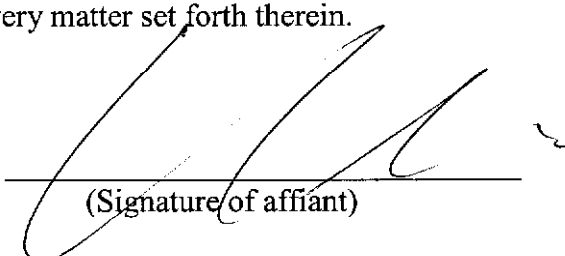
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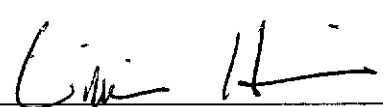
## VERIFICATION

~~State of~~ Hong Kong Special Administrative Region)  
County of People's Republic of China)ss

Lai Chun Cheong makes oath and says that he is the President  
of Far East Gateway, Inc. that he has examined the foregoing application and that to the  
best of his knowledge, information, and belief, all statements of fact contained in the said  
application are true, and the said application is a correct statement of the business and affairs of  
the above-named applicant in respect to each and every matter set forth therein.

  
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public/ Solicitor  
(Title of person authorized to administer oaths)  
in the ~~State and County~~ <sup>Region</sup> above named, this 19th day of July, 2000

  
(Signature of person authorized to administer oath)

**WILLIAM A. HUI**  
SOLICITOR & NOTARY PUBLIC  
HUI & LAM  
ROOMS 2001-4, HANG SENG BUILDING  
77 DES VOEUX ROAD C., HONG KONG